

Message Text

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C O N F I D E N T I A L LONDON 01992

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DEPARTMENT PASS TO AMBASSADOR YOUNG, AMEMBASSIES LUSAKA
AND CAPETOWN

E.O. 11652: XGDS-1
TAGS: PFOR, RH, SF, UK. US
SUBJECT: TINY ROWLAND AND THE RHODESIAN OIL CONNECTION

REFERENCE: LUSAKA 299

1. LONRHO'S TINY ROWLAND SPOKE WITH EMBASSY OFFICER
FEBRUARY 3. HE REFERRED TO THE STORMY RICHARD/KAUNDA
MEETING JANUARY 31 AND WARNED THAT KAUNDA IS "TAKING
THIS OIL BUSINESS VERY SERIOUSLY." ROWLAND SAID HE HAD
DOCUMENTARY PROOF THAT CALTEX, MOBIL, TOTAL, SHELL, AND BP
HAD ALL BEEN INVOLVED IN A CONSPIRACY TO BREAK RHO-
DESIAN SANCTIONS AND SUPPLY OIL TO IAN SMITH, AND THAT
THE CONSPIRACY IS CONTINUING. HE SAID WORD OF THE CON-
SPIRACY IS SPREADING THROUGHOUT AFRICA AND MORE WILL BE
HEARD OF IT FROM LAGOS, ACCRA, NAIROBI, ETC. "IT IS
GOING TO GET VERY BIG," HE DECLARED. ROWLAND SAID HE
HAD BEEN IN TOUCH WITH A NUMBER OF LEGAL AUTHORITIES IN
BRITAIN AND ELSEWHERE. THE CONSIDERABLE EVIDENCE HAS
BEEN CLOSELY EXAMINED AND, HE IMPLIED, CASES WILL
PROBABLY BE BROUGHT IN COURT IN BOTH THE U.S. AND U.K.
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2. ROWLAND SAID HE AGREED THAT AN ATTACK ON THE OIL
COMPANIES OVER SANCTIONS VIOLATIONS WOULD HEIGHTEN EMO-
TIONS AND FURTHER DIVIDE THE PARTIES SEARCHING FOR A
SETTLEMENT IN RHODESIA. BUT, HE SAID, "SOMETHING HAS TO
BE DONE TO GET RID OF SMITH." IF VORSTER WON'T STOP THE
OIL SUPPLIES TO RHODESIA, THEN THE COMPANIES WILL BE

SUED. HE SAID "FILES AND DOSSIERS" CLEARLY PROVE COLLUSION BETWEEN THE OIL COMPANIES. BETWEEN THE IMPOSITION OF SANCTIONS AND THE CLOSURE OF THE MOZAMBIQUE BORDER, THE COMPANIES CHanneled SUPPLIES TO RHODESIA THROUGH BEIRA AND MAPUTO. HE CLAIMS THE COMPANIES CONTINUED THE SUPPLIES IN THE SAME PROPORTIONS AS HAD BEEN AGREED AMONG THEM BEFORE SANCTIONS. WITH THE CLOSURE OF THE MOZAMBIQUE BORDER, THE SUPPLIES WERE MERELY REDIRECTED THROUGH SOUTH AFRICA. ROWLAND CONCLUDED THAT THE SOURCE OF OIL FOR RHODESIA, UNLIKE SO MANY OTHER MATERIALS THAT VIOLATE SANCTIONS, CANNOT BE CAMOUFLAGED IN SOUTH AFRICA. IT IS ALL IMPORTED, HE SAID, AND IT IS ALL CONTROLLED BY THE COMPANIES WHOSE COLLUSION IS DEMONSTRABLE.

3. LONRHO'S CASE AGAINST THE COMPANIES, ROWLAND SAID, WILL BE A DAMAGE SUIT FOR 18-20 MILLION POUNDS. LONRHO OWNED THE OIL PIPE LINE AND PUMPING STATIONS FROM SOUTH AFRICA INTO RHODESIA WHICH IT CLOSED DOWN IN KEEPING WITH THE SANCTIONS. THE SUM DEMANDED WILL REPRESENT THE PROFITS LOST.

4. COMMENT: WE DO NOT KNOW HOW SERIOUS ROWLAND MAY BE ABOUT SUING SELECTED OIL COMPANIES, BUT HE IS NOT AC-CUSTOMED TO SPEAKING LIGHTLY. REGARDLESS OF WHETHER HE PURSUES THE LEGAL CASE, HIS INFORMATION AND ANALYSIS WILL BE NEW GRIST FOR THE "ANTI-IMPERIALIST" MILL. ROWLAND'S MOTIVES ARE POLITICAL AND NOT ECONOMIC AND SPRING FROM A CONFIDENCE THAT IF THE U.K. AND SOUTH AFRICA AND THE UNITED STATES WILL NOT BRING SMITH DOWN, CONFIDENTIAL

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LONRHO WILL.

5. WE WOULD APPRECIATE GUIDANCE ON THIS ISSUE.

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Message Attributes

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Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
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Disposition History: n/a
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